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18TH DISTRICT, TEXAS

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Congress of the United States House of Representatives

Washington, DC 20515

March 18, 1997

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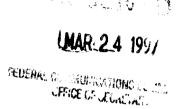
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Dear Reed Hundt:

1919 M Street, NW

Washington, D.C. 20554

The Honorable Reed Hundt,

Federal Communications Commission

I am responding to the request for comment issued by the Federal Communications Commission's (FCC) Notice of Inquiry, (Docket Number 96-263), announced on February 21. This Notice of Inquiry seeks comment on whether the FCC should, in addition to access charge reform, consider actions to the implications of information service and Internet access provider usage of the public switched network.

As a Member of the Telecommunications Reform Act of 1996 Conference Committee, I am particularly concerned by this FCC inquiry. I have a strong interest in the issue of Internet access, and I am committed to seeing that no one is left behind in this "Information Age". Toward that end I would like to seek out ways that will assist with the development of the Information Superhighway as a National educational, commercial and information resource.

The provisions of the Telecommunications Reform Act of 1996, dealing with competition, was challenged in a lawsuit brought by Iowa Utilities Board against the FCC, listed as No. 96-3321 in the U.S. Court of Appeals for the 8th Circuit. It was not the intent of the Telecommunications Reform Act of 1996 Conference Committee to create a patchwork system of competition which did not delve deeply, and cut decisively across the whole spectrum of telecommunications and information service providers markets. Consequently, I believe that it is premature to require the American consumer, who will ultimately shoulder the financial burden of any access rate increase to our Nation's Internet service providers.

Until we know what the Internet, as a new vein of the telecommunications market, will generate in revenue and to what level competition will challenge our country's National Information Infrastructure (NII), at this time, I second the FCC's position of not supporting any move to charge local service usage rates for telephone Internet access. Until the issue of pricing jurisdiction, pricing standards, and unbundling of interconnection for new entrants into the local telecommunications markets are resolved, we should not add cost to the Internet Service Provider which would ultimately be charged to the consumer.

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It is unprecedented in our nation's history of technology dissemination that in four years the number of Internet users have grown from one million to 58 million with an estimated growth rate of 183% per year. This rapid growth, which is creating the interconnection of civilian, government, private, and foreign computers, is the foundation of the Global Information Infrastructure (GII). The expansion of computer telecommunication technology has created growing efficiencies in information management, the delivery of goods and access to ideas. Therefore, I am committed to the development of a National Internet Census which would provide invaluable detailed information for policy makers, business, and education leaders as each plans to adapt its offerings to the public to meet the emerging opportunities created by this new information age. I believe that if we plan, based on hard data, the integration of these communication innovations into our NII, then business, government, and the private sector can better plan for universal access to the Internet.

The Information Superhighway technological innovations are in the process of adding value to the Internet; the most notable of which are electronic commerce, distance learning, and information dissemination which has the potential of developing into a strong new appendage to our Nation's economy. The Internet is the nexus of voice, moving pictures, and text media; emanating from one computer or network, relayed over the GII, to another computer or television located anywhere in the world with comparable technology.

I understand the importance of the public switched network as a critical resource of the NII, and the concerns that have developed around the issue of capacity. The public switched network was original intended to promote local access to the telephony service, and is now being used to facilitate the development of the Internet and related technology. However, my greater concern is that the Internet remains affordable to <u>all</u> consumers regardless of income or geographic location. Therefore, I would like to recommend that the Internet Services Providers, who design and distribute the software necessary for Internet access, be given an opportunity to add features to their software which could retire a connection to the Internet after a customer self imposed period of time has lapsed without activity by the user, i.e. keyboard, or mouse, or traffic over the modem.

Historically, local telephone service in this country has not been assessed at a perminute usage charge. At this point we should not levy charges where costs have not been established. Therefore, I ask that the FCC continue the current no cost policy regarding local Internet access.

If the local telephony service providers can establish their ability to discern an Internet call from a telephone voice call, then possibly, at some point in the future this issue can be revisited in the form of cost sharing or infrastructure improvements. However, future review of this issue should not take place in the absence of a verifiable value being determined by all users of the Internet. Until universal access is a reality, we will not have entered the phase of the Information Superhighway which would allow us to begin a discussion of consumer charges for local Internet Access.

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Thank you for your attention to my concerns. I would like to be apprised of the FCC's decision in this matter.

If your require any additional information, please contact Lillie Coney of my staff.

Sincerely,

Sheila Jackson Lee Member of Congress

SJL:lc